Housing Market

Resale market continues to cool…

Alberta's housing market continued to cool in June, as existing homes sales in the province plunged 11.9%, the tenth monthly decrease in the last twelve months. On the supply side, the number of new listings also declined in June, but by a more moderate 2.0%. With the exception of May and June, new listings have been increasing since October 2009. With easing demand conditions and increased supply, the sales-to-new listings - a measure of market tightness – declined further to 0.39 in June. Nationally, the sales-to-new listings ratio also eased in June, as sales dropped by 8.2% month-over-month.

Manufacturing Shipments

Manufacturing sales rebound…

Following a pullback in April, manufacturing sales in Alberta rose 0.3% in May to just under $5 billion. With nine gains in the last ten months, sales in the province have generally been on an uptrend since reaching a cyclical low in July 2009. Sales in the province were 12.7% higher than May 2009.

Nationally, manufacturing sales increased 0.4% in May to $44.8 billion, consistent with the strong export growth recorded in May. Sales increased in half of the provinces, with Nova Scotia (2.9%), British Columbia (2.1%) and Ontario (1.5%) posting the largest gains. Canadian manufacturing shipments, which have now risen 16.5% on a year-over-year basis, have been supported by the rebound in US demand for durable goods and the overall US economic recovery.

Canadian Dollar (US¢/C$)	
July 16, 2010	94.90
July 9, 2010	96.82
2010-11 YTD	97.10
WTI Oil US$/bbl	
July 15, 2010	$ 76.62
July 8, 2010	$ 75.44
2010-11 YTD	$ 77.61
Nymex Natural Gas C$/MMBtu*	
Near-month Contract	
July 16, 2010	$ 4.73
July 9, 2010	$ 4.63

*Estimate based on Nymex Futures Market Price

Investment in Non-Residential Construction

Investment continues to decline…

Investment in non-residential business construction in Alberta continued to decline in the second quarter of 2010, but the pace of decline has moderated. Investment declined by 2.2% between the first and second quarter of 2010, the sixth consecutive quarterly decline, as lower spending in the commercial and institutional components more than offset the increase in industrial investment.

Insolvency Statistics

Business and consumer bankruptcies decline…

The total number of bankruptcies (business and personal) in Alberta declined from 824 in March to 781 in April. The number of business bankruptcies was 37, below the 5-year average of 47. The number of personal bankruptcies also declined in April, down 4.1% to 744, and coincides with the province's employment gain of 10,000 in April.

New Motor Vehicles

New motor vehicles slightly higher in May…

Following declines in the previous two months, new motor vehicle sales in Alberta rose 1.1% in May to 16,340 units (seasonally adjusted). However, sales were up 14.6% from the recession low reached in February 2009.

International Merchandise Trade

Imports and exports grow strongly in May…

Canada's international merchandise trade deficit with the world widened to $503 million in May, as both exports and imports recorded robust gains of 5.2% and 5.7%, respectively. Following three months of declines, exports of energy products increased (1.6%) in May, as the increase in volumes more than offset the decline in prices.

Current Economic Indicators

	2008	2009	2010YTD*	Jan	Feb	Mar	Apr	May	June
Population									
Population[1] (000's) (level)	3,596	3,688	3,707	3,712	--	--	3,725	--	--
% change	2.4	2.6	2.1	1.9	--	--	1.6	--	--
Net Interprovincial Migraton[1] (level)	15,317	23,006	-6,832	-2,780	--	--	312	--	--
Net International Migration[1] (level)	20,039	20,074	1,477	4,720	--	--	6,758	--	--
Net Non-permanent Residents[1] (level)	18,536	19,058	-4,332	-1,425	--	--	48	--	--
Labour Market									
Employment (000's)	2,013	1,988	1,984	1,988	1,973	1,969	1,979	1,994	2,000
% change	2.8	-1.3	-0.5	-1.6	-1.0	-1.0	-0.4	0.3	0.6
Unemployment Rate (%)	3.6	6.6	7.0	6.6	6.9	7.5	7.4	6.6	6.7
Participation Rate (%)	74.7	74.3	73.3	73.4	73.0	73.2	73.4	73.2	73.3
Average Weekly Earnings ($)	923.21	950.13	983.09	963.38	985.99	993.04	989.93	--	--
% change	6.0	2.9	2.5	1.6	2.1	3.0	5.7	--	--
Price Indices									
Consumer Price Index	3.1	-0.1	1.2	1.7	1.0	1.0	1.6	1.1	--
Excluding food and energy	2.1	1.4	1.1	1.1	1.3	0.8	1.4	0.9	--
Non-Res. Const. Cost Index[2] (quarterly)	13.2	-9.8	-5.0	--	--	-5.0	--	--	--
Farm Product Price Index	11.5	-11.3*	--	--	--	--	--	--	--
Crops	26.7	-22.9*	--	--	--	--	--	--	--
Livestock	2.1	-0.8*	--	--	--	--	--	--	--
Household Sector									
Housing Starts (SAAR, 000's)	29.2	20.0	29.5	24.2	28.2	33.9	35.6	28.8	26.4
% change	-39.6	-31.6	101.9	55.1	139.0	164.8	176.0	101.4	30.0
New Housing Price Index	0.7	-9.0	-0.6	-3.6	-1.4	-0.2	1.0	1.6	--
Edmonton	1.0	-11.2	-2.7	-6.5	-3.3	-2.4	-1.0	-0.1	--
Calgary	0.6	-6.7	1.6	-0.6	0.4	2.0	2.9	3.1	--
MLS Average Resale Prices ($ 000's) NEW!	351.4	340.5	351.6	344.3	348.2	357.9	359.9	355.5	343.6
% change	-1.5	-3.1	6.8	6.4	5.1	10.3	7.7	7.1	4.0
Edmonton	330.8	319.1	323.5	322.7	327.6	341.4	332.1	317.9	299.2
% change	-2.0	-3.5	4.6	-0.7	2.6	11.0	8.7	4.4	2.1
Calgary	401.1	384.3	399.3	386.4	395.1	398.2	401.3	411.5	403.7
% change	-2.9	-4.2	6.9	5.5	5.2	9.0	6.4	9.2	5.8
Retail Sales[3]	0.2	-8.3	6.1	1.0	6.6	11.2	5.8	--	--
New Motor Vehicle Sales NEW!	-7.3	-21.7	8.6	-4.8	24.0	15.3	6.9	4.7	--
Consumer Bankruptcies	6,066	9,986	2841	684	637	776	744	--	--
% change NEW!	27.2	64.6	-11.0	-1.7	-9.8	-18.4	-11.2	--	--
Business Sector									
Rigs Drilling	236	128	180	287	339	219	62	56	118
% change	-2.1	-45.6	46.1	9.3	42.3	103.5	51.9	76.4	99.0
Goods Exports (customs based) NEW!	34.6	-37.3	21.8	2.1	19.6	18.5	27.8	50.1	--
Energy	42.5	-41.4	37.7	8.1	36.7	32.8	48.8	82.9	--
Agriculture	32.0	-10.2	-17.5	-10.4	-20.1	-9.6	-27.6	-5.0	--
Total Farm Cash Receipts (quarterly)	17.2	-8.1	-17.3	--	--	-17.3	--	--	--
Manufacturing Shipments NEW!	7.0	-21.6	8.7	-0.1	4.3	9.9	12.9	12.7	--
Wholesale Trade[4]	9.5	-15.9	-0.6	-12.2	-2.1	6.3	5.0	--	--
Building Permits	-16.5	-14.2	17.4	32.1	69.1	41.4	28.1	-30.2	--
Residential	-31.5	-11.8	94.0	156.4	172.1	91.3	64.6	64.0	--
Non-residential	3.7	-16.3	-28.4	-25.9	4.3	2.0	0.0	-72.3	--
Business Bankruptcies	447	405	142	27	30	48	37	--	--
% change NEW!	-0.4	-9.4	2.9	-30.8	-31.8	54.8	54.2	--	--

Government of Alberta
Finance and Enterprise

Alberta

* YTD – year-to-date represents the change since the beginning of the year compared to the same period in the previous year.

[1] Quarterly; annual numbers are presented on a census year basis (July 1 - June 30).

[2] Average of Calgary and Edmonton

[3] The Retail Sales series was revised on April 23, 2010 and is no longer comparable with numbers in previous Bulletins.

[4] The Wholesale Trade series was revised on April 21, 2010 and is no longer comparable with numbers in previous Bulletins.

Sources: All data is from Statistics Canada except Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canadian Real Estate Association), Rigs Drilling (Canadian Association of Oilwell Drilling Contractors) and Bankruptcies (Office of the Superintendent of Bankruptcy Canada).

Current Economic Indicators by Province